



## 94TH GENERAL ASSEMBLY

### State of Illinois

2005 and 2006

HB4316

Introduced 12/27/2005, by Rep. Mike Bost

#### SYNOPSIS AS INTRODUCED:

20 ILCS 655/5.4

from Ch. 67 1/2, par. 609

Amends the Illinois Enterprise Zone Act. In a Section concerning the requirements for altering the boundaries of an Enterprise Zone, provides that, during the period ending one year after the effective date of this amendatory Act, the Jackson County-Carbondale-Murphysboro Enterprise Zone may expand the boundaries of the current Enterprise Zone for a one-time, multiple property expansion to attract and retain regional business. Requires the Jackson County Board to approve this expansion if it contains property outside the city limits of Carbondale. Provides that the termination date of this Enterprise Zone shall be extended until January 1, 2020. Effective immediately.

LRB094 16247 RSP 51491 b

FISCAL NOTE ACT  
MAY APPLY

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Enterprise Zone Act is amended by  
5 changing Section 5.4 as follows:

6 (20 ILCS 655/5.4) (from Ch. 67 1/2, par. 609)

7 Sec. 5.4. Amendment and Decertification of Enterprise  
8 Zones.

9 (a) The terms of a certified enterprise zone designating  
10 ordinance may be amended to

11 (i) alter the boundaries of the Enterprise Zone, or

12 (ii) expand, limit or repeal tax incentives or benefits  
13 provided in the ordinance, or

14 (iii) alter the termination date of the zone, or

15 (iv) make technical corrections in the enterprise zone  
16 designating ordinance; but such amendment shall not be  
17 effective unless the Department issues an amended  
18 certificate for the Enterprise Zone, approving the amended  
19 designating ordinance. Upon the adoption of any ordinance  
20 amending or repealing the terms of a certified enterprise  
21 zone designating ordinance, the municipality or county  
22 shall promptly file with the Department an application for  
23 approval thereof, containing substantially the same  
24 information as required for an application under Section  
25 5.1 insofar as material to the proposed changes. The  
26 municipality or county must hold a public hearing on the  
27 proposed changes as specified in Section 5 and, if the  
28 amendment is to effectuate the limitation of tax abatements  
29 under Section 5.4.1, then the public notice of the hearing  
30 shall state that property that is in both the enterprise  
31 zone and a redevelopment project area may not receive tax  
32 abatements unless within 60 days after the adoption of the

1 amendment to the designating ordinance the municipality  
2 has determined that eligibility for tax abatements has been  
3 established,

4 (v) include an area within another municipality or  
5 county as part of the designated enterprise zone provided  
6 the requirements of Section 4 are complied with, or

7 (vi) effectuate the limitation of tax abatements under  
8 Section 5.4.1.

9 (b) The Department shall approve or disapprove a proposed  
10 amendment to a certified enterprise zone within 90 days of its  
11 receipt of the application from the municipality or county. The  
12 Department may not approve changes in a Zone which are not in  
13 conformity with this Act, as now or hereafter amended, or with  
14 other applicable laws. If the Department issues an amended  
15 certificate for an Enterprise Zone, the amended certificate,  
16 together with the amended zone designating ordinance, shall be  
17 filed, recorded and transmitted as provided in Section 5.3.

18 (c) An Enterprise Zone may be decertified by joint action  
19 of the Department and the designating county or municipality in  
20 accordance with this Section. The designating county or  
21 municipality shall conduct at least one public hearing within  
22 the zone prior to its adoption of an ordinance of  
23 de-designation. The mayor of the designating municipality or  
24 the chairman of the county board of the designating county  
25 shall execute a joint decertification agreement with the  
26 Department. A decertification of an Enterprise Zone shall not  
27 become effective until at least 6 months after the execution of  
28 the decertification agreement, which shall be filed in the  
29 office of the Secretary of State.

30 (d) An Enterprise Zone may be decertified for cause by the  
31 Department in accordance with this Section. Prior to  
32 decertification: (1) the Department shall notify the chief  
33 elected official of the designating county or municipality in  
34 writing of the specific deficiencies which provide cause for  
35 decertification; (2) the Department shall place the  
36 designating county or municipality on probationary status for

1 at least 6 months during which time corrective action may be  
2 achieved in the enterprise zone by the designating county or  
3 municipality; and, (3) the Department shall conduct at least  
4 one public hearing within the zone. If such corrective action  
5 is not achieved during the probationary period, the Department  
6 shall issue an amended certificate signed by the Director of  
7 the Department decertifying the enterprise zone, which  
8 certificate shall be filed in the office of the Secretary of  
9 State. A certified copy of the amended enterprise zone  
10 certificate, or a duplicate original thereof, shall be recorded  
11 in the office of recorder of the county in which the enterprise  
12 zone lies, and shall be provided to the chief elected official  
13 of the designating county or municipality. Decertification of  
14 an Enterprise Zone shall not become effective until 60 days  
15 after the date of filing.

16 (e) In the event of a decertification, or an amendment  
17 reducing the length of the term or the area of an Enterprise  
18 Zone or the adoption of an ordinance reducing or eliminating  
19 tax benefits in an Enterprise Zone, all benefits previously  
20 extended within the Zone pursuant to this Act or pursuant to  
21 any other Illinois law providing benefits specifically to or  
22 within Enterprise Zones shall remain in effect for the original  
23 stated term of the Enterprise Zone, with respect to business  
24 enterprises within the Zone on the effective date of such  
25 decertification or amendment, and with respect to individuals  
26 participating in urban homestead programs under this Act.

27 (f) Except as otherwise provided in Section 5.4.1, with  
28 respect to business enterprises (or expansions thereof) which  
29 are proposed or under development within a Zone at the time of  
30 a decertification or an amendment reducing the length of the  
31 term of the Zone, or excluding from the Zone area the site of  
32 the proposed enterprise, or an ordinance reducing or  
33 eliminating tax benefits in a Zone, such business enterprise  
34 shall be entitled to the benefits previously applicable within  
35 the Zone for the original stated term of the Zone, if the  
36 business enterprise establishes:

1 (i) that the proposed business enterprise or expansion  
2 has been committed to be located within the Zone;

3 (ii) that substantial and binding financial  
4 obligations have been made towards the development of such  
5 enterprise; and

6 (iii) that such commitments have been made in  
7 reasonable reliance on the benefits and programs which were  
8 to have been applicable to the enterprise by reason of the  
9 Zone, including in the case of a reduction in term of a  
10 zone, the original length of the term.

11 In declaratory judgment actions under this paragraph, the  
12 Department and the designating municipality or county shall be  
13 necessary parties defendant.

14 (g) During the period ending one year after the effective  
15 date of this amendatory Act, notwithstanding the requirements  
16 of this Section, the Jackson County-Carbondale-Murphysboro  
17 Enterprise Zone may expand the boundaries of the current  
18 Enterprise Zone for a one-time, multiple property expansion to  
19 attract and retain regional business. The Jackson County Board  
20 must approve an expansion under this Section if it contains  
21 property outside the city limits of Carbondale. The termination  
22 date of the Jackson County-Carbondale-Murphysboro Enterprise  
23 Zone shall be extended until January 1, 2020.

24 (Source: P.A. 90-258, eff. 7-30-97.)

25 Section 99. Effective date. This Act takes effect upon  
26 becoming law.